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ABSTRACT

These resource materials are designed to help instructors prepare their business students to work with older employees. The materials can be used in undergraduate and graduate courses in management, organizational behavior, human resource management, business policy, and business and society. The materials include lecture guides, discussion questions, case studies, graphs that can be converted into transparencies, and selected reading lists. The materials are arranged into eight modules: (1) the aging work force; (2) retirement; (3) stereotypes; (4) characteristics of older workers; (5) the law and older workers; (6) managing older workers; (7) recruiting older workers; and (8) age equity in employment. The modules can be used as the basis for class sessions devoted entirely to the topic or in conjunction with other materials for class sessions on topics such as managing diversity, career management, or future management challenges. (YLB)

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The Aging Work Force

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Managing an Aging Work Force

Older Employees Instructional Resources for Instructors of Higher Education

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To Instructors:

The work force is aging. To maintain a competitive edge, employers will need to tap the growing pool of older workers. The need to retain experienced executives, highly skilled technical specialists, and older service workers is already acute. Tomorrow's managers (today's undergraduate and MBA students) must learn to apply their planning, leadership, and problem-solving skills to managing an aging work force.

Business students often are unaware of changes in labor force trends and retirement patterns. Students need to consider the societal and legal implications of these trends. Moreover, students may be uncertain about how these changes will affect their own managerial responsibilities and career prospects.

AARP commissioned these resource materials to help instructors prepare their students to work with older employees. The materials can be used in undergraduate, graduate, and MBA courses in management, organizational behavior, human resource management, business policy, and business and society. The materials include lecture guides, discussion questions, case studies, graphs that can be converted to transparencies, and selected reading lists.

The materials are arranged in eight modules:

1. The Aging Work Force
2. Retirement
3. Stereotypes
4. Characteristics of Older Workers
5. The Law and Older Workers
6. Managing Older Workers
7. Recruiting Older Workers
8. Age Equity in Employment

These modules can be used as the basis for class sessions devoted entirely to the topic, or modules can be used in conjunction with other materials for class sessions on topics such as "managing diversity," "career management," or "future management challenges." Instructors are encouraged to integrate creative materials on managing an aging work force into their business courses.

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The Aging Work Force

The objective of this section is to acquaint students with the aging of the U.S. work force and its implications for management.

The U.S. Population Is Aging

Who is an "older worker"?

The federal Age Discrimination in Employment Act protects anyone 40 or older. Using age 40 as a starting point we could define the younger older worker as 40+, the middle-aged older worker as 50+, and older workers as 60+.

Age, however, is a poor criterion for classifying people, since we all age at different rates. It's the ability to do a job, not the age of a person, that is important.

Projected population increases between 1986 and 2000:

Age 45 and over	30 percent
Age 18–44	2 percent

It is projected that the percentage of the U.S. population over age 65 will jump from the current 12 percent up to about 22 percent in the year 2030.

The rate of increase will be particularly rapid between the years 2010 and 2030, as shown in Figure 1.

The median age of the U.S. population will increase by 6.3 years between 1990 and 2020:

1990	33.0 years
2000	36.3 years
2020	39.3 years

There are three main causes for the aging of the U.S. population:

- Life expectancy at birth is increasing.

  Life expectancy at birth:

1940	63 years
1990	75 years (72 for men, 79 for women)

- The baby boomers are moving into middle age. Baby boomers are those persons born in the years after World War II, from 1946 to 1964. Birth rates were very high during that period. The first baby boomers will reach 65 in 2010.
- Birth rates have been low in the past two decades, so there will be fewer younger people in the coming years.

The aging of the U.S. population will have important effects on the work force and employers.

Midlife and older labor force participants, most of them middle-aged, will account for 85 percent of the projected labor force growth between 1990 and 2005.

Over the same period, the number of workers between the ages of 20 and 34 will decline by more than 2.7 million.

The average age of workers will jump from the current age of 32 up to about 40 by the turn of the century. Employers will need to develop policies and managerial capabilities to deal effectively with a new mix of more mature workers.

There will be shortages of qualified workers for service jobs traditionally filled by young workers, such as in the fast food industry. Employers must look for new sources of workers to fill these jobs. This is already happening. Older workers are being targeted in recruitment.

Labor costs (per hour worked) will increase for many employers due to longevity raises and fringe benefits (e.g., longer paid vacations for people with greater length of service).

Pension costs will increase, because people live longer. Employers will have the following options for dealing with increased pension costs:

- Increase contributions to pension funds.
- Reduce the size of pensions.
- Raise the eligibility age for pensions to keep people working longer.

Costs of Social Security will increase due to larger numbers of retirees and longer life expectancy.

General Conclusions

- The work force is aging. This will require new policies and managerial practices, aimed at a more effective utilization of the talents of older workers. This may require innovative approaches to employee retention, such as job sharing, flexible work arrangements, job restructuring, and rehiring retirees.

- There will be employee shortages in traditional entry level occupations.

Discussion Questions on the Aging Work Force

1. What are some ways to maximize the contributions of older workers to the work force?

2. Do you think that government and employer policies should be geared toward keeping people working longer?

3. What do you think are the most important arguments for or against keeping older people in the work force longer?

Selected Readings on the Aging Work Force

1. *America's Changing Work Force: Statistics in Brief*. Washington, D.C.: American Association of Retired Persons, 1993.

2. Axel, Helen. *Employing Older Americans: Opportunities and Constraints*. New York: Conference Board, 1988.

3. Borus, M. E., Parnes, H. S., Sandell, S. H., and Seidman, B., eds. *The Older Worker*. Madison, Wisc.: Industrial Relations Research Association, 1988.

4. Ehrlich, Elizabeth. "For American Business, a New World of Workers." *Business Week*, September 19, 1988: 112–114+.

5. Goldstein, Mark L. "Tomorrow's Workforce Today." *Industry Week*, August 15, 1988: 41–43.

6. Ott-Worrow, Karen A. *Older Americans in the Workforce: Challenges and Solutions*. Washington, D.C.: Bureau of National Affairs, Inc., 1987.

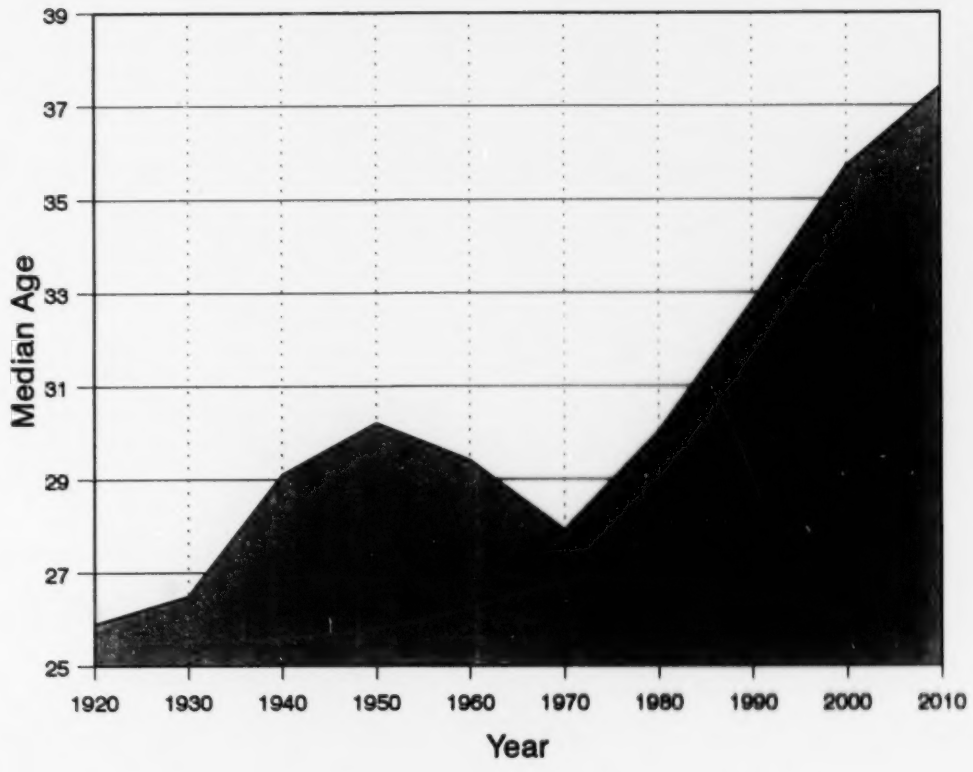
7. Rix, Sara. *Older Workers: Choices and Challenges*. Santa Barbara: ABC-CLIO, 1990.

8. Rosen, Benson, and Jerdee, Thomas H. *Older Employees: New Roles for Valued Resources*. Homewood, Ill.: Dow Jones-Irwin, 1985.

9. Sandell, Steven H. *The Problem Isn't Age: Work and Older Americans*. New York: Praeger Publishers, 1987.

10. Wendling, Wayne. "Responses to a Changing Work Force." *Personnel Administrator*, November 1988: 50–54.

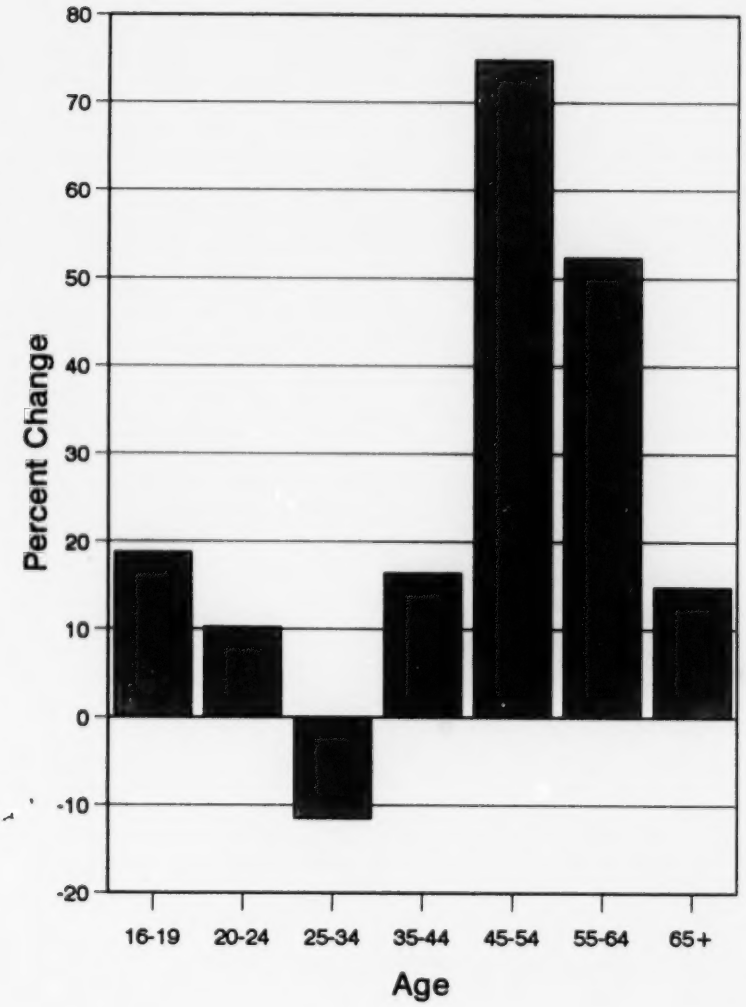
Figure 1
The U.S. Population Is Growing Older
(Median Age)



Source: U.S. Bureau of the Census

Figure 2

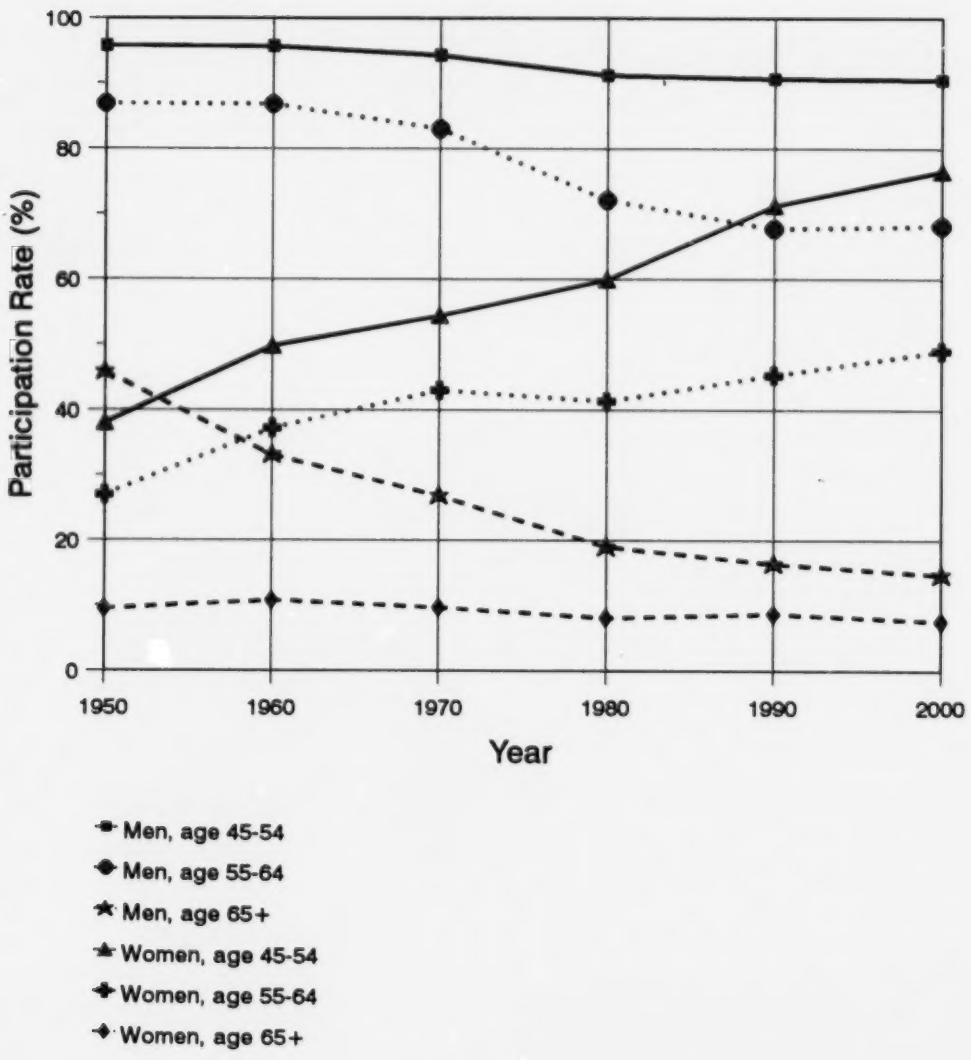
Projected Change in Labor Force Participation Rates, by Age 1990-2005 (in percentages)



Source: Monthly Labor Review, November 1991

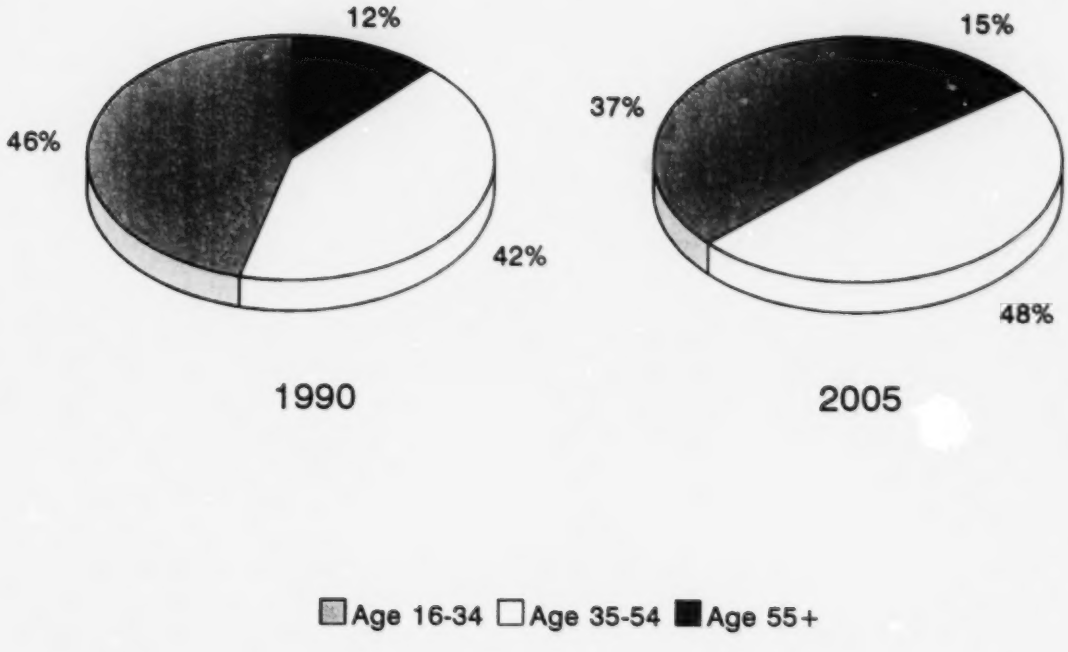
Figure 3

Labor Force Participation Rates, by Sex
(Selected Years, Actual and Projected)



Source: U.S. Department of Labor, 1989; and unpublished data from the Bureau of Labor Statistics.

Figure 4
The Middle Aging of the Work Force, 1990 and 2005



Source: U.S. Bureau of the Census

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Retirement

As potential human resource professionals and corporate managers you may influence when employees retire.

The object of this section is to explore why we have traditionally encouraged older workers to retire and what the implications are for management.

The trend toward early retirement is strong, especially among men.

Why do we have this trend to early retirement?

- Employer's reliance on early retirement incentives as the answer to cost-cutting and downsizing.
- Employers augmenting private pensions until workers are eligible for Social Security.

Why have employers encouraged this trend?

One reason is the widespread belief that job performance declines as age increases. However, studies and polls such as those done by the Commonwealth Fund and AARP do not support these suppositions.

Another reason is the assumption that most people want to retire as early as possible. While some people are looking forward to early retirement, many others prefer to remain active in the work force and others need to continue to work for financial reasons.

Why should employers reconsider encouraging this trend?

- The cost of recruiting and training new workers.
- Expected shortage of entry level and service industry workers.
- Potential lawsuits from workers who may have been "forced out" because of inequitable retirement incentive packages.

How can employers influence workers to remain in the work force longer?

- Raise the eligibility age for private pensions.
- Provide greater incentives for full-time or part-time employment for older workers. About three-fourths of working people age 55 and over prefer to continue working. Incentives that might help them are shown in Table 2. One important incentive would be to cut the Social Security "earnings limit." Workers earning more than the specified limit find their Social Security benefits substantially reduced. In 1994, the reduction was:

  Age 62-64: $1 for every $2 earned above $8,040
  Age 65-69: $1 for every $3 earned above $11,160
  Age 70+: No earnings limit

  Retirees also pay income tax on their taxable earnings.

- Provide a "phased retirement" system, in which people retire gradually, with a gradual kick-in of their Social Security and pension benefits. R.L. Kahn (1984) suggests that the quality of work life for older employees can be greatly improved by providing modular work schedules that would enable individuals to self-define their gradual reduction in working time. This makes good sense economically and psychologically. The Swedish social security system has this feature, and it has helped to increase the employment rate among Swedes in their 60s.

We can gain both economically and psychologically by adopting more flexible retirement systems and enabling older people to continue working longer, commensurate with their capabilities, financial needs, and personal desires.

Retirement Planning Programs

Many organizations are providing formal retirement planning educational programs for their employees. It is a way to assist people to plan for the future and is becoming a recognized employee benefit. Retirement planning should start as early as possible. Financial planning for retirement should start in one's 20s or 30s, and lifestyle planning in one's 50s.

Financial planning considerations include:

- Company retirement benefits (payout options and amounts received under each).
- Social Security (the amount of entitlement for self and spouse, and the procedures for obtaining it).
- Budget requirements during retirement, including provisions for inflation and taxes.
- Personal savings and investments.

Employers must use caution when giving technical, financial, and legal advice to prospective retirees.

Health care coverage and long-term care are currently receiving considerable attention.

Psychological adjustment in retirement is addressed through a review of personal needs and how these needs will be met outside of the work environment.

Other topics covered in retirement planning programs are housing arrangements, wills and estate planning, health maintenance activities, working options during retirement, leisure activities, and caregiving for older relatives.

Discussion Questions on Retirement

1. Do you have parents, friends, or relatives who have retired? At what age did they retire? What factors do you think contributed to their decision to retire?

2. At what age do you think you would like to retire?

3. How desirable is the idea of phased-in retirement, with gradual kick-in of Social Security and pensions? How feasible is gradual retirement? What would it take to make this approach more popular?

4. What factors will determine whether the working population in the 21st century can support the dependent population?

Table 1

Labor Force Participation Rates of Men and Women Age 45-64 and 65+ (Selected Years, Actual and Projected)

	Men				Women			
Year	**45-64**	**45-54**	**55-64**	**65+**	**45-64**	**45-54**	**55-64**	**65+**
1900	90.3			63.1	13.6			8.3
1920	90.7			55.6	16.5			7.3
1930	91.0			54.0	18.0			7.3
1940	89.4			42.2	20.0			6.0
1944	93.5			50.9	31.2			9.6
1950	91.9	95.8	86.9	45.8	33.1	38.0	27.0	9.5
1960	91.9	95.7	86.8	33.1	44.3	49.8	37.2	10.8
1970	89.3	94.3	83.0	26.8	49.3	54.4	43.0	9.7
1980	82.0	91.2	72.1	19.0	50.7	59.9	41.3	8.1
1990	80.4	90.7	67.7	16.4	59.3	71.2	45.3	8.7
2000	81.8	90.5	68.1	14.7	65.5	76.5	49.0	7.6

Source: U.S. Bureau of the Census. 1990 figures from *Employment and Earnings*, January 1991.

Table 2

Incentives that Might Keep a Person at Work Past Retirement Age

	Percent of Women*	Percent of Men*
Flextime	50	39
Part-time work	44	38
Increased Social Security benefits	41	29
Temporary employment	41	31
Phased retirement	38	34
Job redesign	38	33
Increased pension benefits	37	27
Sabbaticals or extented vacations	33	31
Job Sharing	33	29
Compressed work week	33	29
Job reassignment	30	27
Job training	23	13

* Percent rating of each factor as a major consideration in delaying retirement.

Source: Gallup Poll, 1985, 1,300 employees age 40 and older, reported in *Working Age*, Jan/Feb. 1988.

Selected Readings on Work and Retirement Policy

1. Crown, William H., Mutschler, Phyllis H., and Leavitt, Thomas D. *Beyond Retirement: Characteristics of Older Workers and the Implications for Employment Policy*. Waltham, Mass.: Brandeis University, Policy Center on Aging, 1987.

2. Crystal, Stephen. "Work and Retirement in the Twenty-First Century." *Generations*, Spring 1989: 60–64.

3. Herz, Diane E., and Rones, Philip L. "Institutional Barriers to Employment of Older Workers." *Monthly Labor Review*, April 1989: 14–21.

4. Moon, Marilyn, and Hushbeck, Judith. "Options for Extending Work Life." *Generations*, Spring 1989: 27-30.

5. Morris, Robert, and Bass, Scott A., eds. *Retirement Reconsidered: Economic and Social Roles for Older People*. New York: Springer Publishing Co., 1988.

6. Older Worker Task Force. *Older Worker Task Force: Key Policy Issues for the Future*. Washington, D.C.: U.S. Department of Labor, 1989.

7. Rones, Philip L., and Hertz, Diane E. *Labor Market Problems of Older Workers*. Washington, D.C.: U.S. Department of Labor, 1989.

8. "Shifts in the Tide: The Impact of Changing Demographics on Employers, Employees, and Retirees." *EBRI Issue Brief*, No. 77, April 1988: 1–18.

Stereotypes

Materials in this section illustrate how age stereotypes influence managerial judgments, decisions, and actions. They can be used in classroom discussions of perceptions of older persons, performance evaluation, and managerial decision making. The materials can also be used in conjunction with the module, "The Law and Older Workers" (page 37).

The four learning objectives for this module are to:

- Identify commonly held age stereotypes.
- Examine how age stereotypes influence managerial decisions and actions and, at times, create situations of age discrimination.
- Assess the validity of age stereotypes.
- Consider what organizations can do to avoid decisions and actions based on erroneous age stereotypes.

The "Alan Garfield" and "Investments in Training and Development" cases (pages 18-20) should be considered before discussing age stereotypes. Alerting students to the context could influence their responses. Both cases are taken from an in-basket exercise given to over 1,000 executives and reported by Rosen and Jerdee in the *Harvard Business Review* article, "Too Old or Not Too Old." In the original exercise, two versions of each case were created, one depicting an older employee and the other depicting a younger employee in identical circumstances. Only the versions with older workers are described here.

After students share their reactions to each case, the instructor can present the results reported in the *Harvard Business Review* study.

The Alan Garfield Case

You are the director of Intertech, a new division of a large manufacturing firm with employees around the world. You have just received the following memo:

Memorandum

To: Dana Wells
From: Intertech National Sales Manager
Subject: Customer Complaints

I am sure you will recall that, when you appointed me as sales manager, you also emphasized that this was a service-oriented business and that I should come straight to you whenever I felt that other departments were not giving sufficient support to our sales staff. We have now encountered such a situation.

This situation concerns Alan Garfield, supervisor of our shipping department. It seems that customers cannot get their inquiries about shipments answered satisfactorily. We have followed the practice of establishing a direct link between customers and the shipping department, so that customers can get the fastest and most accurate information possible on the status of their shipments. This worked well until Alan took over the department. Now, when anybody calls about a question or a complaint about a shipment, the people on Garfield's staff always switch the call to him. After an annoyingly long wait, Garfield finally gets on the line and gives a complex, detailed explanation of shipping department problems, ending with a lecture on customer patience.

As you know, Garfield is an older employee with several years of service in the company, but only three months' experience in the shipping department job. His previous experience was in the credit department, purchasing department, and mail room. His past performance evaluations have consistently rated him above average.

When we promoted him last fall, I tried to impress on him the importance of being tactful with complaining customers, but it doesn't seem to have done any good. We must fix this situation as soon as possible in order to ensure that our customers get satisfactory service from the shipping department.

Questions for discussion

1. How difficult do you anticipate it will be to change Garfield's behavior? Why?

2. What action would you recommend in this situation?

3. What are the advantages and disadvantages of assigning someone else to handle the calls?

4. Would customer service training be useful in this situation?

Investments in Training and Development

As director of the METRO Division, you receive a memo from Ralph Adams, one of your production employees. Here is some background information on Ralph Adams. Ralph is 63 years old. He has a two-year certificate in industrial technology. He has been a member of the production staff for ten years. With the company's recent expansion, he has been reassigned from the main offices to the METRO Division. He has worked on routine assignments in time study and production standards. His performance has been "satisfactory." Here is his memo:

Memorandum

To: Director, METRO Division
From: Ralph Adams
Subject: Production Seminar in Atlanta

I would like to attend the production seminar later this month in Atlanta. Several members of the production staff, including one new employee, have attended similar seminars during the past few years. I think that participants can learn about new theories and research relevant to production systems at these conferences. The two-week production conference is scheduled from October 6 to 17. Registration costs, room, and board will be approximately $1,750. Please let me know as soon as possible.

Questions for discussion

1. Would you fund all or part of his request?
2. What factors did you consider in making this decision?

Notes for Instructors

1. Alan Garfield Case

This case was developed in two versions. In this version Alan Garfield was depicted as "an older employee with several years of service to the company, but only three months' experience in the shipping department."

The phrase "older employee" stimulates for many people age stereotypes depicting older workers as rigid and resistant to change. Accordingly, they often conclude that managerial efforts to change Garfield's approach to the customer calls will be met with resistance. Managers frequently recommend "working around Garfield" and assigning the responsibility for handling customer calls to another employee. Some recommend transferring Garfield to another department. Unfortunately, working around Garfield deprives him of constructive feedback and an opportunity to prove that he is capable of improving his performance.

In an update of a study reported in the *Harvard Business Review*, "Too Old or Not Too Old," Bensen Rosen and Thomas Jerdee provided some of the respondents with the "older" version of the case and other respondents with the "younger" version. A comparison of responses to the younger and older versions illustrates the effects of age stereotypes on managerial actions.

Thirty percent reading the younger version recommended an encouraging talk with the employee, compared with only 20 percent in the older version. Only 18 percent reading the younger version recommended assigning someone else to handle the customer complaints, compared with 33 percent reading the older version. The findings, coupled with student discussion of their own recommendations, shows how age stereotypes can influence managerial evaluations. In this case, the older employee is deprived of feedback and the opportunity to improve his performance.

2. Investments in Training and Development

Comparing your students' reactions to those of the managers in the Rosen and Jerdee study can provide further insights into how age stereotypes influence managerial actions to the detriment of the older worker. In the research reported in the Harvard Business Review, this case was also written in two versions, depicting Ralph Adams as either 63 or 34 years old.

In responding to the discussion questions following the case, some students may be skeptical about the wisdom of sending a 63-year-old employee for additional training. Their skepticism may be based on age stereotypes depicting older workers as incapable of learning new ideas or techniques.

Students frequently deny Ralph Adams's request to attend the training program. They support their decision with economic arguments, concluding that Ralph is likely to retire soon. They may say that investment in the training of a younger technician will have a longer payback period for the company. Among executives responding to the younger version, 74 percent approved the funds for training compared with only 3 percent for the older version.

Instructors can explore with students whether assumptions that older employees lose interest in learning are valid. There is no evidence to support this belief.

Instructors can also ask students to reconsider the assumption that Ralph will retire soon. With the abolition of mandatory retirement, Ralph has the option to continue working as long as his performance remains satisfactory.

How should you invest your training dollars? The answer requires a careful examination of turnover data for workers in different age categories. Older workers may be less mobile due to pension constraints and limited alternatives. Younger workers may be more likely to leave the company; older workers are more likely to remain with the company.

A variety of erroneous assumptions may lead students to recommend withholding training opportunities for older employees.

This may hasten their career obsolescence, reduce their productivity, and further contribute to stereotypes that older workers are likely to become organizational deadwood.

Lecture Outline

How Much Do Students Know about Aging?

An interesting way to stimulate discussion about the role and characteristics of older workers is to ask students to complete the following brief true–false quiz, developed by Duke University gerontologist E. Palmore. Assure students that they will not be graded on the quiz.

Understanding Older Workers: Test Yourself

How do your preconceived notions of older workers stack up against those of other managers? The Conference Board surveyed executives in 363 companies about their views on common perceptions of older workers compared with younger workers. Test your own attitudes, then see what the researchers found at the end of this test.

1.	Older workers tend to be less flexible, more resistant to change.	True	False
2.	Older workers are more conscientious.	True	False
3.	Older workers tend to be less productive.	True	False
4.	Older workers tend to have greater loyalty to the company.	True	False
5.	Older workers tend to be less creative.	True	False
6.	Older workers have fewer accidents.	True	False
7.	Older workers are less likely to keep up with new developments in their fields.	True	False
8.	Older workers have better job morale.	True	False
9.	Older workers have better judgment.	True	False
10.	Older workers have lower turnover rates.	True	False
11.	Older workers tend to be more difficult to supervise.	True	False
12.	Older workers have more absences.	True	False

Answers to Understanding Older Workers: Test Yourself

1. True
2. True
3. False
4. True
5. False
6. True
7. False
8. True
9. False
10. True
11. False
12. False

The full Conference Board report from which these questions were adapted is *Managing Older Workers: Company Policies and Attitudes* (Pub #860). For ordering information contact:

The Conference Board
845 Third Avenue
New York, NY 10022-0900

Myths and Realities of Aging and Work

The following is a list of statements about aging and work. Please mark each statement either true or false. After you have completed the exercise, each statement will be discussed to determine if it is myth or reality. Your responses will not be collected.

1.	The percentage of the population over 65 has nearly tripled since 1900.	True	False
2.	At age 65, on the average, women can expect to live ten more years, men five more.	True	False
3.	A greater percentage of men over 55 were working in 1982 than in 1950.	True	False
4.	Physical aging begins at age 39.	True	False
5.	All five senses tend to decline in old age.	True	False
6.	The majority of older people have no serious health problems that limit their activities, at least through their 60s.	True	False
7.	Most old people will become senile if they live long enough.	True	False
8.	The definition of "old" in the work place is 65 years.	True	False
9.	There is a greater percentage of older workers in white-collar jobs than in blue-collar jobs.	True	False
10.	Skill obsolescence is a problem for many older workers.	True	False
11.	The ability to learn declines significantly by the age of 50.	True	False
12.	Reaction time begins to slow at approximately age 25.	True	False
13.	Older workers have more work-related accidents than younger workers.	True	False
14.	Older workers have better attendance records than younger workers.	True	False
15.	The number of age discrimination complaints filed with the government has increased approximately 20 percent since 1975.	True	False
16.	In some cases, it is legal for employers to make employment decisions based on age.	True	False
17.	Retirement is consistently the best solution for workers who "level out" or are non-promotable.	True	False
18.	As people age, they tend to become more alike.	True	False

Answers to Myths and Realities of Aging and Work

1.	True	10.	True
2.	False	11.	False
3.	False	12.	True
4.	False	13.	False
5.	True	14.	True
6.	True	15.	False
7.	False	16.	True
8.	False	17.	False
9.	True	18.	False

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Answers to the myths quiz are available in a 15-minute audio/visual presentation from The Conference Board in New York.

The myths quiz is part of a larger management education program entitled "Age Issues in Management." While the copyright is held by the University of Southern California, The Conference Board holds the exclusive licensing for this program.

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How Do Age Stereotypes Influence Managerial Judgement and Decisions?

Based on the discussion of age stereotypes ask students about the circumstances where older workers could be victims of age bias.

Research has shown that age stereotypes influence decisions in a variety of personnel actions. In almost every case, the stereotypes adversely affect older workers. For example, in simulations where identically qualified younger and older employees are depicted, younger employees are more likely to be hired, promoted, trained, and evaluated positively. These simulation findings may help explain a drop in motivation among some older workers. Deprived of opportunities to sharpen their skills and advance their careers, some older workers could gradually lose interest. The Alan Garfield and Investments in Training and Development cases illustrate how age stereotypes influence management decisions.

Assessing the Validity of Age Stereotypes

Ask students which age stereotypes are myths and which are facts. Ask students about the basis for their opinions.

Several comprehensive studies have investigated possible links between age and worker attitudes and performance. Overwhelming evidence indicates that age stereotypes are more myth than fact.

With respect to job satisfaction, research suggests that older employees have more positive job attitudes than their younger associates. S. Rhodes reviewed more than 60 studies examining the relationship between age and job attitudes. She found that age was either positively related or unrelated to most job attitudes, including job satisfaction and commitment. [Rhodes, S. (1983). "Age- Related Differences in Work Attitudes and Behavior: A Review and Conceptual Analysis," *Psychological Bulletin*, 93: 328-367].

Studies examining the relationship between age and job performance have not found significant declines in performance with age. D. Waldman and B. Avolio analyzed studies investigating the age-performance relationship. They found that when objective performance criteria were used, performance increased with age. When subjective criteria were used to assess performance, a small decline in performance was associated with age. [Waldman, D. & Avolio, B. (1986). "A Meta-Analysis of Age Differences vs. Job Performance," *Journal of Applied Psychology*, 71, 33-38.]

A third comprehensive study reviewed 96 studies examining age and performance. Meta-analytic procedures indicated that job performance and age were generally unrelated. Previously reported differences based on the use of objective or subjective criteria did not make any difference. [McEvoy, G. & Cascio, W. (1989). "Cumulative Evidence of the Relationship Between Employee Age and Job Performance," *Journal of Applied Psychology*, 74: 11-17.]

In summary, research evidence shows that there is no relationship between age, job attitudes, and performance. Managerial stereotypes and assumptions about older workers are in many cases erroneous. Moreover, decisions based on age stereotypes may lead to under-utilization of experienced and committed older employees.

In extreme cases, acting on age stereotypes may result in charges of age discrimination and costly litigation. The module "The Law and Older Workers" provides more information on the laws governing the employment of older workers.

What Can Organizations Do to Avoid Making Decisions and Taking Actions on the Basis of Erroneous Age Stereotypes?

Students can be challenged to develop ideas about how managers can avoid falling back on age stereotypes and unwarranted assumptions about the limitations of older workers. Small groups can be assigned the role of task force members charged with the responsibility for advising management on how to take full advantage of the experience and commitment of older employees.

Here are some recommendations that might emerge from the group discussions (instructors can elaborate on students' ideas and offer additional suggestions):

- Develop workshops to heighten the awareness of managers and administrators about age stereotypes. Use cases and exercises to illustrate how stereotypes influence managerial judgments. Use reverse role plays, where participants take the roles of older employees who have been treated unfairly because of their age.
- Appoint several employees as advocates for older workers. Charge these employees with assessing the special needs of older workers in the organization and making policy recommendations on behalf of older employees. Ask one or more employees to serve as an ombudsperson, mediating grievances where age is an issue.
- Designate one or more employees to participate in conferences and seminars on industrial gerontology. Have these representatives report current research findings about the capacities and limitations of older employees and the organizational accommodations necessary to allow older workers to contribute to the organization.
- Encourage human resource management professionals to work with AARP, the National Council on the Aging, and other organizations concerned with older worker issues.
- Keep managers informed about the Age Discrimination in Employment Act. Monitor personnel decisions to ensure that older employees have equal opportunities for promotion, training, and career development.
- Develop and implement a systematic performance review program. Provide older employees with honest feedback about their performance. Provide career counseling so that older workers can assess their career options.

Class Project 1: Panel of Guest Speakers

Invite three or four older employees (ages 50 or older) to discuss their personal experiences. A student moderator could ask each panel member to describe retirement norms, attitudes toward older employees, and incentives or disincentives for extending careers in his or her organization.

An alternative project could involve a panel of attorneys who have represented older workers in age discrimination lawsuits. Representatives from the Equal Employment Opportunity Commission could also be included. Panel members can make brief presentations on how companies unknowingly discriminate against older employees.

Class Project 2: Corporate Survey

In courses requiring individual or group projects, suggest that students conduct a survey of organizations in the region to determine what companies are doing to accommodate an aging work force. Students could write up their findings and report to the class on what they have learned.

Selected Readings on Older Worker Stereotypes

1. Blocklyn, Paul L. "Aging Workforce." *Personnel*, August 1987: 16–19.

2. Butler, Robert N. *Why Survive? Being Old in America*. New York: Harper and Row, 1975.

3. Goddard, Robert W. "How to Harness America's Gray Power." *Personnel Journal*, May 1987: 33–40.

4. Kauffman, Nancy. "Motivating the Older Worker." *Advanced Management Journal*, Spring 1987: 43–48.

5. McEvoy, Glenn M., and Cascio, Wayne F. "Cumulative Evidence of the Relationship between Employee Age and Job Performance." *Journal of Applied Psychology*, 74 (1989): 11–17.

6. Rhodes, Susan R. "Age–Related Differences in Work Attitudes and Behavior: A Review and Conceptual Analysis." *Psychological Bulletin*, 93 (1983): 328–367.

7. Rix, Sara. *Older Workers: Choices and Challenges*. Santa Barbara: ABC–CLIO, 1990.

8. Simonton, Dean Keith. "Age and Outstanding Achievement: What Do We Know after a Century of Research?" *Psychological Bulletin*, 102 (1988): 251–267.

9. *Using the Experience of a Lifetime*. Washington, D.C.: American Association of Retired Persons, 1993.

10. Waldman, D. A., and Avolio, Bruce J. "A Meta–Analysis of Age Differences in Job Performance," *Journal of Applied Psychology*, 71 (1986): 33–38.

Characteristics of Older Workers

The objective of this section is to acquaint students with facts about the characteristics of older workers and the managerial implications.

Why be interested in the characteristics of older workers?

A. A larger proportion of the work force will be older workers.
B. Younger managers, to work effectively with older workers, should know about their abilities, attitudes, and needs.

We will give some generalizations about older workers, but individual differences are large. Although age has been called "the great equalizer," today's older persons are a highly diverse group, not only in life experience, education, and income, but also in physical condition, abilities, personality, and interests. Each person must be treated as an individual and not a group stereotype (see "Stereotypes," pages 17-31). Nevertheless, an understanding of general characteristics of older workers can help younger managers work more effectively with them.

Job Performance

It is somewhat difficult to get scientifically accurate information on age differences in performance.

- Selection factors may cause distortion (e.g., in comparisons among age groups within a particular occupational level or category, the poorer performers, regardless of their age, may have been weeded out).
- Performance appraisals may be biased either for or against certain age groups.

In spite of these difficulties, considerable information indicates that older workers perform well.

Rhodes (1983) reviewed 25 empirical studies and concluded that age seldom accounts for more than 10 percent of the variance in any job behavior.

Waldman and Avolio (1986) conducted a meta-analysis of research on age and performance. Their conclusions are:

- Age correlates positively with objective performance measures; and
- Age correlates slightly negatively with subjective performance measures.

McEvoy and Cascio (1989) reviewed 96 studies and concluded that age and job performance generally are unrelated (mean $r = .06$).

For manual workers, performance peaks in one's 30s and begins to decline in one's 50s, but the decline is less than 10 percent. For clerical workers, there seem to be no age effects.

For sales workers, age trends seem to depend on the type of sales. Department store sales performance peaks at about age 55. For outstanding high level achievement in a

variety of fields, the generalized age curve peaks at about age 40 and falls off gradually thereafter. There are many individual exceptions.

Reliability

- Older workers have good attendance records. Workers age 45 and over take only 3.1 sick days per year and have better attendance records than most other age groups.
- Older workers have low turnover. Employees between the ages of 50 and 60 have an average length of service of 15 years.
- Older workers have low accident rates. Persons 55 and older account for only 9.7 percent of work place injuries despite the fact that they make up 13.6 percent of the labor force.

Older Workers' Attitudes Tend to Be Favorable

Age is positively related to most job attitudes (Rhodes, 1983, review of over 60 studies):

- Correlations between age and job involvement are either positive or zero.
- The correlation between age and internal work motivation is positive.
- The correlation between age and organizational commitment varies depending on the job.
- Age is negatively correlated with turnover intentions.
- For workers under age 60, age is positively correlated with overall job satisfaction.
- There is some evidence that job attitudes are more a function of individual predispositions than of variables such as age.
- The major work-related fears of older workers are obsolescence and job change.
- Researchers and managers need to find out how various human resource management practices affect older worker attitudes.

Management Opinions of Older Workers Are Mixed

In 1989, AARP commissioned a DYG, Inc., study of 400 human resource managers. They asked about perceptions of older workers (age 55 and up). They found:

- Older workers were rated high on three productivity issues of great importance to management — commitment to quality, attendance, and solid performance.
- Older workers also received high ratings on the following:
  A. Loyalty and dedication to the company;
  B. Practical knowledge;
  C. Reliability in crises;
  D. Ability to get along with co-workers;
  E. Job experience; and
  F. Emotional stability.
- Older workers received less favorable ratings on:
  A. Educational background;
  B. Physical agility;
  C. Desire to get ahead; and
  D. Feeling comfortable with new technologies.

The low rating on comfort with new technologies is especially noteworthy. Only 22 percent of respondents rated older employees "excellent" or "very good" on this quality, but nearly half (48 percent) of respondents rated this quality as an essential or very important employee quality. Research is needed on how to improve older employees' adaptation to new technologies.

In 1993, AARP and the Society for Human Resource Management (SHRM) published *The Older Workforce: Recruitment and Retention*, the results of a joint survey exploring older worker recruitment and retention practices.

According to the 1,000 human resource managers who responded, older workers bring significant benefits to the workplace including overall workplace skill, flexibility in scheduling, low absenteeism, high motivation, and mentoring abilities for younger workers. They are seen as motivated, loyal, and respectful.

Discussion Questions on Characteristics of Older Workers

1. What do you see as the most important distinguishing characteristics of older workers, from an employer's perspective?

2. Have you had an experience in which an older worker had special problems on the job? What were the circumstances, and how were the problems resolved?

3. What can employers do to utilize older workers efficiently?

4. Would you prefer to be a member of a young work group, an old work group, or a work group of mixed ages? What would be the advantages and disadvantages of each?

5. Would you prefer to supervise a young work group, an old work group, or a work group of mixed ages? What would be the advantages and disadvantages of each?

Selected Readings on Characteristics of Older Workers

1. Birren, James E., Robinson, Pauline K., Lingston, Judy E., and Deutchman, Donna E., eds. *Age, Health, and Employment*. Englewood Cliffs, N.J.: Prentice-Hall, 1986.

2. The DYG, Inc. *Business and Older Workers: Current Perceptions and New Directions for the 1990s*. Washington, D.C.: American Association of Retired Persons, 1989.

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4. Nye, David. "Writing Off Older Assets." *Across the Board*, September 1988: 44–52.

5. Rhodes, Susan R. "Age-Related Differences in Work Attitudes and Behavior: A Review and Conceptual Analysis." *Psychological Bulletin*, 93 (1983): 328–367.

6. Waldman, D. A., and Avolio, Bruce J. "A Meta-Analysis of Age Differences in Job Performance." *Journal of Applied Psychology*, 71 (1986): 33–38.

7. *Work and Retirement: Employees Over 40 and Their Views*. Washington, D.C.: American Association of Retired Persons, 1986.

The Law and Older Workers

America's labor force is growing older. Individuals continue to leave the work force at increasingly younger ages, while the number of young Americans entering the labor force is declining rapidly. The average age of the work force will climb from 36 to 39 years by the year 2000.

These changes challenge American business. With the supply of available young workers shrinking, employers must examine their policies and practices to ensure that they facilitate attracting, motivating, and retaining older workers. To do this, managers must understand the laws and issues relevant to an aging work force and apply this knowledge to their employment policies and practices.

The objectives of this component are to:

- Familiarize students with the Age Discrimination in Employment Act (ADEA).
- Explain how a thorough understanding of the ADEA can facilitate adjusting to an aging work force.
- Present several important issues arising under the ADEA.
- Direct students where to go for further information on the ADEA.

The Age Discrimination in Employment Act (ADEA)

The Origins of the ADEA

Under Section 715 of the Civil Rights Act of 1964, Congress directed the Secretary of Labor to make a full and complete study of the factors that might tend to result in discrimination in employment because of age and of the consequences of such discrimination on the economy and individuals affected.

The Secretary's report found that age discrimination was a persistent and nationwide problem. Consequently, in 1967 Congress enacted the ADEA.

The Purposes of the ADEA

- To promote employment of older persons based on their ability rather than age.
- To prohibit arbitrary age discrimination in employment.
- To help employers and employees find ways of meeting problems arising from the impact of age on employment.

Coverage of the ADEA

Who must comply?

- Private employers with 20 or more employees.
- All public employers — federal, state, and local governments.
- Labor organizations with 25 or more covered employers.
- Employment agencies serving one or more covered employers.

Who is protected?

- Most individuals age 40 and over working for private employers, the federal government, and state or local governments.
- U.S. employees working overseas for U.S. employers.
- There is one explicit statutory exemption from the ADEA's protections. All elected officials, the elected officials' personal staffs, all appointees on a policy-making level, and those appointees' immediate legal advisors are not covered by the ADEA.

Illegal Employer Practices under the ADEA

Discriminating against workers age 40 and older in hiring, firing, compensation, or any other aspect of employment because of age.

Indicating an age preference in notices or advertisements for employment.

Retaliating against any employee for complaining about age discrimination or for helping the government investigate a charge of age discrimination.

Exceptions: Employer Practices lawful under the ADEA

An employer may base a decision on a "reasonable factor other than age" or "discharge or otherwise discipline an individual for good cause."

An employer may use age as a bona fide occupational qualification (BFOQ) where it is necessary to the normal operation of a particular business and there are no alternative standards other than age.

An employer may observe the terms of a bona fide seniority system or any bona fide employee benefit plan.

An employer may retire certain executives or high-policy-making employees at age 65.

Tenured faculty may be retired at age 70 until December 31, 1993.

Public safety officers may be subject to maximum hiring or mandatory retirement ages pursuant to state or local law until December 31, 1993.

How a Thorough Understanding of the ADEA Can Facilitate Adjusting to an Aging Work Force

Many kinds of employers, both public and private, hold stereotypes that can lead to age discrimination. These stereotypes may be

reflected in attitudes, policies, and practices affecting every aspect of employment. Knowing how these stereotypes can lead to unlawful discriminations can minimize the occurrence of such violations.

Managing an aging work force (in compliance with the ADEA) involves many of the same principles that are relevant for workers of all ages. Employers that follow equitable human resource management practices, while considering the unique needs of older employees, promote a corporate value system that supports contributions of workers in every age category.

Important Issues under the ADEA

Recruitment

Despite the fact that it is unlawful not to hire individuals because of age, discrimination in hiring is one of the most common types of age discrimination.

There are many reasons employers refrain from, or even avoid, hiring older workers. Most of these reasons are based on unfounded stereotypes that older workers will not stay with the company for very long before they retire or that older workers can no longer learn and are too difficult to train.

However, America's population and its work force are aging. The pool of younger workers will decline significantly in the future. Therefore, employers may be forced to look to nontraditional sources — particularly older workers — to fill jobs in the future.

Employee Benefits

In June 1989, the U.S. Supreme Court issued a controversial decision in *Public Employee Retirement System v. Betts*. This decision allowed employers to discriminate in providing employee benefits to older workers. In response to the *Betts* decision, Congress enacted the Older Workers Benefit Protection Act, Pub. L. No. 101-443, 104 Stat. 978 (1990), to amend the ADEA and restore the law prohibiting employers from denying benefits to older workers.

Individuals protected by the ADEA cannot be denied the opportunity to participate in an employer's benefit plans because of their age. It is lawful, however, for some employee benefits plans to provide lower benefits to older workers than to younger workers. Employers may provide fewer benefits to older workers *if*:

1. The employer's cost of providing the benefit increases with an employee's age, *and*
2. The employer spends at least as much money to provide the benefit for an older worker as for a younger worker.

This exception to the ADEA's general prohibition of age discrimination in employee benefits is referred to as "the equal benefit or equal cost" principle. Its purpose was to make sure that it did not cost employers more to employ older workers because of the age-related increased cost of certain benefits. Cost is the only acceptable basis for unequal benefits.

Case Study

In a meeting with your secretary concerning her performance appraisal, you both agree that it would be advantageous to your work if she took some college classes in management. However, she is doubtful that she will be able to afford the tuition on her secretary's salary. You reassure her that the company has an excellent tuition reimbursement program for job-related education. You approve her request for funds.

Two weeks later she comes to you with a memo from the Human Resources Department explaining that the tuition reimbursement program is unavailable to employees age 35 or over. (Your secretary is 42.) What action should you take?

Discussion

The Older Workers Benefit Protection Act makes it absolutely clear that discrimination in benefits is unlawful unless the cost of providing the benefit increases with age. The cost of tuition is not higher for older students than for younger students. Consequently, your company's tuition reimbursement policy is in violation of the ADEA and should be revised immediately.

Waivers

Case Study

Your company has suffered a decline in market demand and the CEO announces that an exit incentive will be offered to reduce the size of the work force. Employees accepting the incentive will receive an extra 6 weeks of severance benefits. In similar situations in the past, the company has always asked employees accepting such an incentive to sign a waiver releasing the company from any legal claims against it in exchange for the additional benefits. Under current law, may your company still ask its employees to sign such a release?

Discussion

Yes, with certain restrictions. The Older Worker Benefit Protection Act (OWBPA), passed in October 1990, amended the Age Discrimination in Employment Act (ADEA) by establishing minimum requirements for lawful waivers of rights of claims under the ADEA. Waivers sought in connection with an exit incentive, early retirement program, or reduction-in-force must meet the following criteria:

1. The waiver must be in writing and in plain English.
2. The waiver must specifically refer to rights or claims arising under the ADEA.
3. The employee may not be asked to waive rights or claims that arise after the waiver is signed.
4. The employee may only be asked to waive rights or claims in exchange for benefits that exceed those to which the employee would already be entitled under the employer's existing benefit programs.
5. The employee must be advised — in writing — to consult with an attorney before signing the waiver.
6. The employer must inform all affected employees in writing and in plain English of:
   a. the class, unit, or group of individuals covered by the incentive program;
   b. the program's eligibility factors and time limits;
   c. the job titles and ages of all individuals eligible or selected for the program, and the ages of individuals in the same job classifications who were not selected for the program;
7. The employee must be given at least 45 days to consider the waiver before signing it.
8. The release must provide that the employee may revoke the agreement within seven days of signing it.

Case Study

You have recently been promoted to a Human Resource Manager position at INSKO, a multinational corporation with offices in 11 countries. INSKO has a long-standing policy of recruiting only college graduates for its future executive training program. On the basis of recruiting interviews conducted on the campuses of the nation's top 20 business schools, about 25 college seniors are offered placements in INSKO's executive training program. Successful graduates of the program frequently step up to middle-management and administrative positions. The average age of the program's graduates is 27.

You receive a memo explaining that INSKO is considering changing its recruitment policies. You are asked to submit your comments on the present policy and suggestions for improvement before a meeting scheduled for the following week.

What would you write?

Discussion

The INSKO recruitment and development policy appears to have great merit. College campuses provide a readily available pool of potential applicants. In addition, early identification of managerial talent coupled with intensive training and development experiences seems to be the formula for rapid progression within the organization. However, for all of its virtue the INSKO personnel policy could be discriminatory.

At issue is the access of older workers to entry-level positions and to the executive training program. Since age tends to be highly correlated with college graduation, the policy of recruiting future managers from the ranks of college seniors potentially discriminates against older employees with comparable credentials. INSKO would be particularly vulnerable to charges of age discrimination if admission to the executive training program were limited exclusively to recent college graduates. On the other hand, if employees of all ages who have demonstrated management potential are given consideration for executive trainee positions, INSKO's recruitment and training policy is likely to be in compliance with the ADEA.

The BFOQ

Introduction

There are several exceptions or defenses contained in the ADEA. By including these exceptions, Congress recognized that some employer practices should be lawful. One of the exceptions is the *bona fide* occupational qualification (BFOQ).

Case Study

You are the Vice President of Personnel for the Transamerica Bus Company. Over the years you have compiled comprehensive statistics on driver safety. By analyzing the data you learn that your drivers over age 45 have more accidents than your younger drivers. However, within the group of drivers over 45, a subgroup of drivers age 50 to 60 with 15 years of experience has the safest driving records in the company.

As a follow-up to your research, you consult several medical experts to determine whether accident proneness could be assessed by a medical examination. The experts inform you that except in extreme cases it would be very difficult to predict physiological changes five or ten years in the future. They also note that degenerative changes begin around age 35 and that some of these changes could impair driving ability. They caution you that there is significant variation among individuals in how much changes in reaction time they experience. Some individuals experience considerably slower reaction time as early as age 35 or 40, while others experience no change in their reaction time until a much older age. Finally, the experts point out that there are tests available that can determine driver safety on an individual basis.

The company's president calls you into his office to tell you that he heard about your data and asks if they could be used to support a new policy he wants to implement — a manditory retirement age of 60 for drivers.

How do you respond?

Discussion

Age is a *bona fide* occupational qualification (BFOQ) if the business cannot be conducted safely and effectively without the age limit. The employer must be able to prove that all or substantially all people who are excluded by the age limit cannot perform the job; or that it would be highly impractical for the employer to individually test employees to determine if each has the necessary qualifications. [Criswell v. Western Airlines, 472 U.S. 400 (1985) (airline prevented from maintaining an age 60 limit for flight engineers).]

It is difficult for an employer to demonstrate a BFOQ. However, age is more likely to be upheld as a BFOQ in jobs where public safety is at risk. In this case, passenger safety would almost certainly be considered necessary to the successful operation of the business.

Since tests are available to determine driver safety, the safest practice for the employer would be to institute individualized testing. This would ensure driver safety at any age.

Reductions-in-Force

Introduction

During business slowdowns or periods of economic recession, companies frequently must implement work force reductions. One of the simplest, and wisest, approaches to such a reduction is to base layoff decisions on job performance and the company's future staffing and skills needs. When layoff policies are ambiguous and disproportionate numbers of older workers are laid off or terminated, the company may be susceptible to claims of age discrimination.

Case Study

Due to significant decline in work orders, Arc Welding must reduce its work force from 300 to 200 workers. As manager of one of Arc Welding's largest divisions, you are asked to attend a meeting concerning the impending reduction.

At the meeting you are instructed that in deciding which of your employees to lay off, you should try to retain as many younger workers as possible because they will have more productive years left with the company. You are also told that the company is concerned about the welfare of all of its workers and therefore employees with the monetary cushion of a substantial early retirement pension should be chosen for layoff over those employees who are not eligible for pensions.

As you walk back to your office you think about the fact that some of your best performers are over age 55. You decide to write a memo expressing your concerns about the criteria for implementing the reduction-in-force (RIF).

What should you include in your memo?

Despite your memo, the RIF is implemented as planned. Of the 100 employees laid off, more than 60 percent were over age 40, even though these older employees made up less than 40 percent of the work force.

Discussion

Selecting employees for a RIF must be based on legitimate, nondiscriminatory reasons. Consequently, before implementing a reduction, the company should assess its future staffing requirements, examine its business needs, and determine its goals. Once the company determines which jobs should be eliminated, the weakest performers in those jobs should be discharged. For this strategy to be successful, the company must have a simple and objective performance appraisal system in place (see page 47).

Communicating honestly and clearly with employees regarding the reasons for the RIF and the effects upon those employees selected along with providing job counseling, interviewing practice, and other outplacement benefits can also be helpful in convincing employees that the RIF was "fair."

Although the ADEA does not prohibit involuntary layoffs, it does prohibit an employer from taking age into account when making layoff decisions. It is also unlawful for an employer to lay off individuals based on their entitlement to pension benefits.

In addition, an employer may not transfer older employees to a department where they would be more likely to be laid off than younger employees who remain in other departments.

Although it would seem practical to concentrate layoffs among higher-salaried employees to reduce costs, salary is often directly correlated with age, and therefore such a cost-based layoff could be viewed as discriminatory.

Performance Appraisals

Introduction

A well-designed performance appraisal system is important both to improve the long-range financial health and productivity of an organization and to decrease the risk of discrimination claims.

Case Study

You have recently been promoted to supervisor of a group of electrical engineers. After your first month on the job you notice that one of your employees, 54-year-old Joe Lambert, is not meeting many of the deadlines you give him. When you look at Lambert's personnel file you see that his previous supervisor consistently gave him "satisfactory" or "superior" reviews. You talk to the previous supervisor, Sam Thomas, and learn that Lambert's performance has always been poor but Thomas felt sorry for Lambert and did not want to criticize his work.

Lambert is due for his next performance appraisal in two weeks. What should you say in his evaluation?

Discussion

Although some supervisors hesitate to give negative feedback to older employees, objective, frequent, timely, and accurate performance appraisals ensure that employees receive the information they need to improve their job performance. Proper appraisals also ensure that individuals receive equitable treatment in all personnel decisions. From the employer's standpoint, inaccurate performance appraisals put them at risk if the employee who was demoted or laid off brings an age discrimination suit.

In this case study, the older employee was given unfair positive evaluations. However, in many cases, supervisors' unconscious age bias can result in inaccurate, negative appraisals of older workers' performance. Worse yet, it has been suggested that in some instances performance appraisals have been consciously misused by supervisors to discriminate against older workers.

When conducting performance appraisals, managers should base the appraisal on a carefully conducted job analysis, consider specific job performance, and provide the employee with clear and honest feedback.

Training

Introduction

Employers may not consciously or unconsciously exclude older workers from training opportunities. To do so would be detrimental to both the employer and the older workers. Training is the most direct means by which an older worker can extend a productive career. And, a company's failure to train its older workers could increase costs due to obsolescence and reinforce unfounded stereotypes about aging.

Case Study

One of your employees, 48-year-old Katie Baker, comes to you and asks if you would recommend her for a training program being offered on a new computer database system. You think its a great idea. Katie is one of your best workers, and her computer skills have been invaluable to your section, particularly in tracking your budget.

Two weeks later you get a call from the Staff Development Manager informing you that she got your memo recommending Katie for the training, but she will have to deny the request. Only a limited number of employees can attend the training and she wants to give priority to younger workers who will be with the company longer.

In addition, she is afraid Katie would have trouble "keeping up" with the others. How do you respond?

Discussion

It is unlawful under the ADEA to deny individuals training opportunities because of their age. In addition to being unlawful, such a practice is also unwise. With decreasing numbers of younger, entry-level workers entering the labor force combined with the inadequate education and training of many new workers, employers cannot afford to allow the knowledge and skills of their older workers to become obsolete. Instead, employers should reward any worker's interest in training programs and encourage use of newly acquired skills on the job.

Selected References on the ADEA

1. *Age Discrimination on the Job.* Washington, D.C.: American Association of Retired Persons, 1990.

2. Brown, Robert N., with Legal Counsel for the Elderly. *The Rights of Older Persons.* American Civil Liberties Union, 1989.

3. Dennis, Helen. *Fourteen Steps in Managing an Aging Workforce.* Lexington, Mass.: Lexington Books, D.C. Health and Co., 1988.

4. Eglit, Howard C. *Age Discrimination.* Colorado Springs: Shepard's/ McGraw-Hill, Inc., 1986.

5. Fretz, Burton D., & Dudovitz, Neal S. *The Law of Age Discrimination: A Reference Manual.* Chicago: National Clearinghouse for Legal Services, Inc., 1987.

6. O'Meara, Daniel P. *Protecting the Growing Number of Older Workers: The Age Discrimination in Employment Act.* Philadelphia: Trustees of the University of Pennsylvania, 1989.

7. Rappoport, Stephen S. *Age Discrimination: A Legal and Practical Guide for Employers.* Washington, D.C.: Bureau of National Affairs, 1989.

Resource Organizations on Age Discrimination in Employment

Equal Employment Opportunity Commission (EEOC)
Washington Headquarters
1801 L Street, N.W.
Washington, DC 20507
(202) 663-4000

American Association of Retired Persons (AARP)
Work Force Programs Department
Worker Equity Section
601 E Street, N.W.
Washington, DC 20049
(202) 434-2060

National Senior Citizens Law Center
2025 M Street, N.W.
Washington, DC 20036
(202) 887-5280

U.S. House of Representatives
Select Committee on Aging
House Annex #1, Room 712
Washington, DC 20515
(202) 226-3375

U.S. Senate
Special Committee on Aging
Dirksen Senate Office Building
Room G-41
Washington, DC 20510

Managing Older Workers

This section covers career management problems of mid-career and older workers and organizational strategies for helping older workers cope with career problems.

Materials can be used as part of a comprehensive discussion of older worker issues. Alternatively, the materials can be integrated with other resources to stimulate a more general discussion of career management issues.

The objectives of this module are to:

1. Understand the causes and consequences of mid- and late-career problems.
2. Identify alternative solutions to mid- and late-career problems.

Lecture Outline

To remain competitive, organizations cannot afford to carry "deadwood." Projected labor shortages in high technology, health, and service industries suggest that many employers will need to take full advantage of the skills and experience of their employees.

According to recent survey findings, many organizations have begun to experience the problems of an aging work force. Among these problems are increasing numbers of employees who have reached career plateaus or who are victims of technological obsolescence.

Ask students to speculate on why individuals encounter career plateaus and career obsolescence. Prod students to consider factors other than complaisance.

A career plateau is a point beyond which the probability of promotion is low. Various factors contribute to career plateaus including loss of motivation, lowered aspirations, poor career management, and a limited potential for advancement. Organizational factors include limited advancement opportunities, stiff competition for promotions, and inadequate human resource planning and career counseling. Environmental factors include economic constraints on growth and changing consumer preferences.

Many employees continue to perform well in spite of limited opportunities for advancement. A challenge for management is to maintain the motivation and skills levels of these employees. Once identified as unlikely to advance, these employees are often passed over for training and development opportunities. Over time their performance can easily deteriorate. It is easy to see the vulnerability of employees of all ages to organizationally created, self-fulfilling prophecies resulting in stagnation.

Survey findings indicated that as many as one-third of all employees may have reached career plateaus.

Technological obsolescence happens when employee skills and job knowledge fall behind job requirements. In some instances, skills atrophy after long periods of disuse. In other instances, job requirements change, and individuals need training to assume new duties and responsibilities. In still other instances, employees are not adequately trained to use new technologies.

The term "half-life," borrowed from nuclear physics, has been used as a rough measure of obsolescence. A half-life is the time it takes to lose about half of one's competence due to changes in knowledge and technology. The half-life of information workers, engineers, and scientists may be as short as five years. Managers and administrators who have fallen behind in their understanding of computer technology are vulnerable to obsolescence.

Older employees are particularly vulnerable to obsolescence. The greater vulnerability of older workers to obsolescence is reflected in the longer time that older workers usually need to find employment after job phaseouts, downsizing, and plant shutdowns. In addition, older employees with substantial family and financial obligations cannot easily enter lengthy retraining programs.

Managers may take for granted an older employee's abilities to contribute. Compounding the problem, the older employee may fear that learning new methods, procedures, or techniques is too much of a challenge. The problem is often exacerbated by an employer's reluctance to invest in upgrading the skills of older employees.

Survey findings indicate that about 13 percent of all workers may be in career obsolescence.

Ask students to consider the consequences of career plateaus and career obsolescence for employers and for employees caught in these dilemmas.

Career plateaus and career obsolescence can clog promotion channels. Limited opportunities for upward mobility can be demoralizing to lower level employees, colleagues, and managers. Serious career problems could affect productivity, quality, and customer service. This may result in increased absenteeism and turnover.

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Plateaued and career-obsolete employees may lower their aspirations and mark time until new opportunities or early retirement options develop. Some plateaued employees may experience a drop in motivation and lose interest in maintaining their skills. Employees experiencing career obsolescence may lose self-esteem and lower their commitment to their jobs.

Ask students to brainstorm about strategies organizations can use to avoid or combat problems of career plateaus and skills obsolescence.

A list of students' suggestions should point to the need for a comprehensive human resource management system to manage the careers of employees better. Among the elements of a human resource management system students should identify are the following:

- Performance appraisal systems for early diagnosis of potential career problems.
- Career counseling to provide employees with options to change careers, accept lateral transfers, and avoid dead ends.
- New roles for plateaued employees by assigning them to special projects, task forces, or mentor roles.
- Job redesign to create jobs that are a better fit between individual skills and job requirements, create more job challenges, or simplify the job responsibilities as necessary.
- Training, development, and retraining to provide continuous development for technical and managerial skills and prepare for possible advancement and retraining when necessary.
- Incentives for early retirement that provide options for phased retirement, part-time employment, or full retirement.

Training and development are the most widely used methods to overcome career plateaus and combat career obsolescence. Human resource managers report that occasionally older employees may be reluctant to take full advantage of training opportunities. In some instances, older employees may fear that participation in training will expose their inadequacies. Others may worry about the difficulty of mastering new skills. And many older employees may question whether the effort expended will yield any tangible benefits at this stage in their careers.

To minimize resistance, managers must explain the reasons for the training and point out the potential advantages to the employee. Even when older employees understand their need to learn new skills, they may feel insecure about their ability to do so.

It is important for trainers to provide a nonthreatening training environment that does not emphasize speed and does not expose the older learner to unfavorable comparisons with younger learners. Providing verbal assurances, ample time, and privacy is important.

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The first challenge is to build the confidence of older workers in their ability to succeed in training. Next, linking successful completion of training to valued rewards is essential.

The remaining challenge is to modify or redesign existing training programs to accommodate the learning styles of older employees.

Ask students what managers must do to help their employees avoid career plateaus and career obsolescence problems.

Instructors should point out that as students become managers they will be expected to monitor the career progress of employees. Their responsibilities will include discussing career aspirations with their employees, providing honest feedback about performance problems, and identifying training needs. Effective career management requires anticipating changes in job assignments and work technologies and preparing employees for changes. Managers have the responsibility to provide career information and sufficient training opportunities and to coach and counsel employees so that they are able to make informed, realistic career decisions.

Ask students to consider which responsibilities mid-career and older employees must assume for managing their own careers.

Point out to students that career management is the *joint* responsibility of employers and their employees. Individuals should set career goals, seek opportunities for personal and professional development, explore a range of career options, develop contingency plans, and actively manage their own careers.

The following cases can be used to stimulate discussion of career management issues. The first case, "Stuck in a Career Jam," depicts the dilemma of career plateaus. The second case, "Rapid Change at Vestron," highlights the problem of technological obsolescence. Both cases help students focus on the causes and consequences of career problems and force students to consider the dual responsibilities of individuals and their employers for managing careers effectively.

Stuck in a Career Jam

Don Leslie, age 50, closed his eyes, propped his feet up on his desk, and contemplated his future with Wexler Foods. In this day of career mobility, Don could hardly believe that he had just completed his 23rd year marketing various Wexler products.

Don entered the military service after college. After four years in the service, Don worked in retail sales and attended the evening MBA program at the University of Minnesota. He joined Wexler after graduation. His first position was in marketing research at corporate headquarters. He moved up to assistant brand manager and later to brand manager for a successful line of packaged dried fruits. Don's last promotion, six years ago, was to brand manager for Wexler's popular jams and jellies. The market share for the products had grown slowly, but steadily while he was brand manager. Don was comfortable in his position and satisfied with his salary.

This morning Don learned that one of his colleagues, Carolyn Marshall, was promoted to marketing vice president. Don and several other brand managers were candidates for the position. It was clear that he had been passed over in favor of Carolyn. This was the second time that Don missed a promotion. Perhaps his career had reached a plateau with Wexler Foods. Don tried to picture how this would affect his career aspirations and motivation.

Discussion Questions:

1. List all of the options that Don Leslie should consider at this stage of his career.
2. What would you do in Don Leslie's situation?
3. If you were Don's boss, how would you keep him motivated?

Notes for Instructors

From Don Leslie's perspective, getting honest feedback about his managerial strengths and weaknesses is critical. A frank assessment of his potential should help Don develop his career management strategy. He may learn that deficiencies — in particular technical, managerial, or interpersonal skills — are holding him back. With a candid appraisal, Don and his boss can discuss the appropriate training and development needed to break through his career plateau.

Don could also consider other career options. He could consider marketing opportunities in other organizations and even the possibility of a career change. Ask students to list the constraints that Don should consider if he left Wexler. (Issues such as lost pension and medical benefits and possible age bias in finding a new position should surface in the discussion.)

Don could also explore the possibility of early retirement in several years. Early retirement, combined with part-time work, may turn out to be a viable and attractive option. Again, Don would need to consider carefully his projected income and expenses under this arrangement. Don needs to explore actively all of his career options. After weighing the costs and benefits of each alternative, he can make an informed decision about how to cope with his career plateau.

As noted in the lecture outline, managers have an obligation to help their plateaued employees evaluate career options. Managers should provide realistic assessments of the possibility of further promotions. Managers should also candidly discuss the advantages and disadvantages of alternative career tracks within the organization. For example, Don's manager might advise him that a transfer to another division, which requires relocation, is his best opportunity for breaking out of a career plateau.

For employees unwilling or unable to accept new assignments, managers may be able to assign new duties or special projects designed to sustain the motivation of plateaued employees. In Don's case, assignment to a special, company-wide task force might rekindle his enthusiasm. Similarly, encouraging Don to mentor junior marketing managers could strengthen his commitment to the company.

Instructors should conclude the discussion of "Stuck in a Career Jam" by emphasizing that managers and employees must work together to develop strategies for breaking through career plateaus.

Rapid Change at Vestron

Vestron is a high-technology, multinational corporation that manufactures computers, copiers, and communication equipment. The corporate culture at Vestron can best be described as a matrix design. In a matrix structure, scientists, engineers, and production specialists come from various departments to work on projects, task forces, and special assignments. A project might involve the development of a portable fax machine or the design of a complex radar system. Project teams work together for periods ranging from several months to five years. Project work is intensive, limiting the time for personal development.

Kelly Sullivan manages Vestron's engineering division. He has seen the pace of technological change skyrocket. Sullivan makes a conscientious effort to help the engineers in his division keep up with the technical journals and encourages them to attend seminars and workshops in their engineering specialty. However, he recognizes that combating technological obsolescence requires a systematic, organization-wide effort. Accordingly, he appoints a task force of engineers and scientists to develop policy recommendations.

Discussion Questions

1. What kinds of jobs are most vulnerable to technological obsolescence?

2. What are the consequences of obsolescence for individuals and for organizations?

3. What strategies can individuals use to combat obsolescence?

4. Assume that you have been appointed to the task force on combating technological obsolescence. What policies would you recommend?

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Notes for Instructors

As noted in the lecture outline, high technology jobs are particularly vulnerable to obsolescence. Individuals in these jobs must take the initiative to keep their skills current. Taking advantage of in-house workshops and seminars is an important first step. Enrolling in university or community college evening and weekend courses is another way to keep abreast of technological developments. Seeking out opportunities to work and learn from others on cutting-edge projects is a third strategy for combating obsolescence.

The task force should recommend a systematic, organization-wide approach to combat obsolescence. First, the organization must make a commitment to the philosophy that human resources are renewable assets. Investments in training and development will pay dividends in terms of loyalty, quality, and productivity.

Specific task force actions could include:

- Annual training and development needs assessments;
- Developing training programs to meet identified and anticipated needs, including:
  - A. In-house seminars, workshops, and short courses.
  - B. Tuition reimbursement and time off to take off-site courses.
- Creating learning centers (with journals, books, and tapes); and
- Rewards for keeping skills current.

Note that technological obsolescence is not necessarily related to age. In rapidly changing, high technology organizations, both younger and older employees are vulnerable to career obsolescence. Combating obsolescence requires a joint commitment by the employee and the organization.

Managing Older Workers

This section covers career management problems of mid-career and older workers and organizational strategies for helping older workers cope with career problems.

Materials can be used as part of a comprehensive discussion of older worker issues. Alternatively, the materials can be integrated with other resources to stimulate a more general discussion of career management issues.

The objectives of this module are to:

1. Understand the causes and consequences of mid- and late-career problems.
2. Identify alternative solutions to mid- and late-career problems.

Lecture Outline

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According to recent survey findings, many organizations have begun to experience the problems of an aging work force. Among these problems are increasing numbers of employees who have reached career plateaus or who are victims of technological obsolescence.

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Selected Readings on Managing Older Workers' Careers

1. Axel, Helen. *Job Banks for Retirees*. New York: Conference Board, 1989.

2. Dennis, Helen. *Fourteen Steps in Managing an Aging Work Force*. Lexington, Mass.: Lexington Books, D.C. Heath and Co., 1988.

3. *How to Manage Older Workers*. Washington, D.C.: American Association of Retired Persons, 1994.

4. *How to Recruit Older Workers*. Washington, D.C.: American Association of Retired Persons, 1993.

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9. Rosen, Benson, and Jerdee, Thomas H. "Investing in the Older Worker." *Personnel Administrator*, April 1989: 70-74.

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Recruiting Older Workers

Older Workers: Who They Are, What They Want

"Older workers" are more diverse than other age groups. They represent all ethnic, racial, and educational backgrounds. Their work histories and current employment interests vary just as widely. The older population includes:

- Midlife career changers;
- Displaced workers;
- Early retirees;
- Older retirees; and
- Persons who have never worked before outside the home.

Before you recruit older persons you should determine which subgroups have the skills you want and how you can meet their employment needs with wages, benefits, and work environment.

Older Worker Subgroups

The subgroups of older workers overlap. Individual differences can be found within each.

1. *Midlife Career Changers.* Typically these are "younger" older workers who are plateaued or burned out in their jobs or who perceive that economic conditions will jeopardize their jobs or industries in the near future. They have a strong need to work. They are looking for advancement opportunities, a chance to develop new skills, new challenges, and more money. Most often they look for full-time work with full benefits. They need to maintain health insurance coverage and to continue building up pension and Social Security credits.
2. *Displaced Workers Under Age 62.* Usually they have recent work experience. They are not receiving Social Security benefits and, probably, are not getting pension benefits either. They have a strong need to work full-time with full benefits. They must maintain health insurance coverage and continue building up pension and Social Security credits. They may identify strongly with their former job title, thus limiting other possibilities, or may have been told that their skills are obsolete and their work experience is irrelevant to available jobs.
3. *Retirees Under Age 62.* They are not receiving Social Security benefits but are probably receiving pension benefits as part of an early retirement incentive package, which may also include health insurance coverage. Frequently they are bored with retirement. Their objectives can range from a full-time job to a supplementary income from part-time work. Other motivations include a need for structure in their lives, a sense of belonging, and something meaningful to do. They may identify strongly with their former job title, which limits other possibilities.
4. *Retirees Ages 62-69 Receiving Social Security Benefits.* They may have less

incentive to work due to the Social Security earnings limitation. They often are more interested in part-time work and flexible hours. Though eligible for Medicare (at 65), they may be interested in group health insurance as a fringe benefit. Because of time out of the work force, they may think that employers are not interested in them, that their skills are obsolete, and that they cannot compete with or fit in with younger workers. They may also have a health condition that they believe would prevent them from doing the job.

5. *Retirees Age 70 or Older Receiving Social Security Benefits*. Typically they are interested in part-time work, flexible hours, and, perhaps, working at home. Besides supplementing their retirement income, they may want to work for various social and psychological benefits. They are concerned about their lack of skills and recent work experience, health limitations, and fitting in with younger workers.
6. *Women*. Women fall into every category. Their growing importance as a resource for employers warrants additional consideration. More and more older women are entering or reentering the work force. Often they have special financial needs. Only 20 percent of them receive pension benefits from a former employer, and those with pensions usually receive smaller benefits than men because they usually earned less. Social Security benefits are the only source of income for 60 percent of older women, with the average benefit less than $5,000 annually. More older working women are also responsible for the care of one or more elderly parents.

   Many older women are interested in part-time work, flexible hours, and working at home to supplement Social Security benefits or their husband's pension while having the time to meet family obligations.

Why Older People Want to Work

Knowing what motivates the various older person subgroups helps determine the fit between what your organization has to offer and what a particular group needs and wants.

Many more older persons want to work than are working. A Gallup poll conducted in 1987 for AARP found that 20 percent of retirees would rather be working. Other polls have found that as employees get closer to retirement, their desire to continue working increases. In a 1987 Gallup poll of workers age 50 and older, 68 percent said they preferred to continue working.

Depending on personal circumstances, older persons cite a combination of social, psychological, and economic reasons for wanting to work. Their most frequently cited reasons are to:

- Make money;
- Obtain health insurance and other benefits;
- Develop new skills;
- Use time productively;
- Feel useful and needed;

- Make new friends and stay in touch with what's going on;
- Provide structure to their daily lives and a reason for getting up in the morning; and
- Have a sense of personal achievement and growth.

One subgroup may want full-time work, full benefits, and advancement opportunities. Another group's primary motivation may be basic financial survival, while a third group may want meaningful work that provides an opportunity to meet people. Many older persons simply need to earn extra money to supplement pensions and Social Security benefits.

Identifying the primary motivators for your targeted group is crucial to your successful recruitment campaign.

What Older Job Seekers Worry About

In developing and marketing jobs, you need to recognize the barriers that stand between older persons and employment. Their concerns often include:

- Employers won't be interested in me because of my age or my lack of education, skills, or experience;
- I can't be trained or retrained for the job;
- I can't compete or fit in with younger workers;
- My family obligations can't be accommodated on the job;
- I don't have transportation to and from the job;
- My physical limitations can't be accommodated on the job;
- I'm concerned about what I've heard about your organization; and
- Working won't improve my financial situation. I'll lose my Social Security benefits.

Planning for Your Recruitment Campaign

Successful recruitment requires top-down company commitment and support, including adequate staffing and funding. Ideally one person should be the coordinator. To enhance communication and credibility with older job seekers, assign older staff members whenever possible to be your spokespersons, recruiters, interviewers, and trainers.

Check local demographic and labor market data to find out:

1. Are enough older people available to justify your recruiting effort?
2. What are the general characteristics, such as age, sex, minority status, education, and work experience of the people you want to recruit?
3. What is their economic situation?
4. Where do they live?
5. How many of them live within a mile of your work site or within easy commuting distance?
6. How many of the targeted groups are actively job hunting?
7. What is the unemployment rate for the older worker group you want to recruit?

8. Have other local employers tried to recruit the same target group? If so, how did they do it? Were they successful? Will you be competing with them for the same people?

Where You Can Get Information

Here are some sources of information you may wish to contact:

- The mayor's office;
- The county planning office;
- The Chamber of Commerce;
- Various members of the senior employment network (see page 67);
- The state and U.S. employment services; and
- Your local library. The librarian should have census information on older persons and where they live.

Ask Older Persons

1. Ask older persons in your target group to tell you:
   - How to make jobs and the work environment more appealing to older persons.
   - What would entice them to stay on the job or return to work after retirement.
2. Use a focus group of older persons in your target population to find out:
   - Older persons' perceptions of your organization;
   - What they want in a job;
   - The barriers they face finding jobs; and
   - How to market jobs for older workers.
3. Set up an advisory committee of older managers, workers, retirees, and members of the local senior employment network.

   The committee can help you assess your employment package and recruitment strategies, and provide ongoing guidance and support.

Look at Your Own Employment Policies and Practices

Do your organization's policies and practices regarding recruitment, hiring, evaluation, training, promotion, and termination reflect subtle or not-so-subtle forms of age discrimination or negative stereotyping?

What are the attitudes of your supervisors and younger workers toward older workers?

Supervisors can be helped to overcome negative attitudes through information about experiences of other employers. Consider having representatives of the local senior employment network speak to supervisors about expectations and realities in managing older workers.

What Are You Offering?

1. *The Americans with Disabilities Act (ADA).* Effective July 1992, the ADA prohibits most employers from discriminating against job applicants or employees with disabilities in all aspects of the work relationship, including the application process, hiring, firing, promotions, retirement, training, and the provision of benefits. In order to do this, an employer

may have to make a "reasonable accommodation" for the applicant or employee, so that he or she can perform the "essential functions" of the job. Examples of reasonable accommodations are modifying a work schedule, providing suitable chairs for a person with back injuries, providing large print keyboards and materials, and raising the height of a desk to accommodate a wheelchair. Most accommodations are easy to accomplish, inexpensive, and do not disrupt the work environment. Since the person with the disability knows the most about what he or she needs, the employer and employee work together to create the necessary accommodation. Organizations that serve disabled persons may be able to help in assessing and redesigning jobs for the employee with a disability. One excellent resource is the Job Accommodation Network (JAN), (800) 526-7734.

2. *Your benefits can be an important selling point.* If you are recruiting older workers for full-time positions, the benefits package will be comparable to the package for other full-time workers regardless of age.

   Historically, part-time work has meant lower hourly wages and few, if any, employer-provided benefits, but this is starting to change as companies try to attract older workers who, as a group, often prefer to work part-time. The most popular fringe benefits are medical and life insurance, sick leave, and paid vacations and holidays. Some employers have found free transportation to and from the job is an important incentive.

3. *Adapting training programs to older worker needs.* Older trainees may require different methods, presentation styles, and instructional tools than younger trainees. Because older workers tend to stay on the job longer, their training is usually cost effective.

   Evaluate and, if necessary, modify your training program before you recruit. Training requirements will depend on the specific job and the target group's skill level and past experience.

   For help in evaluating and modifying your training program, contact educators through adult education programs at local community colleges and universities or members of the senior employment network. And don't forget to ask trainees and trainees-to-be to describe their own needs and expectations.

Rehiring Retirees

Consider rehiring your own retirees or those of your competitors for part-time jobs. Benefits to you include qualified, experienced, reliable, loyal workers; lower training and turnover costs; and greater flexibility in handling business upswings and downturns.

You could set up your own job bank to provide a steady supply of qualified workers. This would require developing a system for recruiting and hiring people, assessing skills and matching them to available jobs, and evaluating job performance appraisals.

Another possibility is to use an independent contractor to set up and maintain the job bank.

A word of caution. If you encourage early retirement and then rehire skilled workers at lower wage and benefit levels to do essentially the same job, you may violate the Age Discrimination in Employment Act.

Job Restructuring

What jobs do you want to fill? Which of them would be appropriate for older workers? Are they full-time or part-time, temporary or seasonal? Can full-time jobs be redesigned to appeal to your target group?

More and more employers are introducing alternatives to full-time work to encourage older employees to stay on the job. Some of the more popular options are:

- Part-time work;
- Job sharing;
- Flextime programs;
- Flexplace programs; and
- Phased retirement.

The National Older Workers Information System (NOWIS) is a computer data base of information about employment programs for older workers. The NOWIS programs include those providing full-time and part-time jobs, job redesign, transition to retirement, job training, and retirement planning.

Employers can get comprehensive information on these programs. For NOWIS information, write: NOWIS, AARP Work Force Programs Department, 601 E Street, N.W., Washington, DC 20049. Please indicate (1) type of program in which you are interested and (if appropriate) (2) geographic region and (3) company size. Allow one week for a response.

Have your system in place before launching your marketing plan:

1. Develop your materials.
2. Train your staff.
3. Set up a system to respond to inquiries.
4. Establish a specific, measurable goal and evaluate results at predetermined points during your recruitment campaign.
5. Collect information on how applicants hear about your jobs and why they respond.

This information will be valuable in revising your marketing plan as you learn what works and what does not work.

Marketing

Older workers tend not to respond to traditional recruitment methods because they assume employers are not interested in recruiting them. Marketing your jobs to older workers requires tailoring your message to them and selecting the communication channels most likely to attract them.

The content and tone of your message are crucial. In a simple, clear, and concise way, the message should:

- Identify the kinds of people you are looking for and their qualifications;
- List the job or jobs available;

- State the key benefits; and
- Explain how the person should respond.

The message should convey your belief that older persons have something to contribute to your organization and that your job will meet their needs.

Stress maturity, good judgment, and experience — even for entry-level jobs. Where possible, use testimonials from your own older employees.

Address older persons' major employment concerns, such as "working without losing Social Security benefits," "special training provided," or "transportation available."

Consider testing your message on an advisory group or a focus group before you recruit.

Effective messages:

- Your skills, experience, and maturity are valuable — we need them.
- Join other older persons.
- Flexible hours.
- Work and keep your Social Security benefits (through management of hours and income).
- A chance to make new friends.
- Growth opportunity: a second or third career.
- Employer-paid benefits including health and life insurance.
- No training required (or, on-the-job training provided).
- Commitment to older employees — no age discrimination.
- Did you retire too soon?
- Career development opportunities.
- Convenient to public transportation (or, transportation to and from job provided).
- Competitive salary/wages.
- Job security.

Adapted from Newton and Associates seminar materials, One Hanson Street, Boston, MA 02118.

Use Your Networks

Network by using the people and organizations in your community to get needed information, contacts, support, and specific services. Networking can provide everything from demographic information to a trained, ready-to-work older employee.

Tap those networks that involve the older population you want to recruit. Contact:

- Social services network for older persons;
- Social service and employment network for special populations regardless of age;
- Fraternal, civic, and religious organizations;
- Education and training network;
- Volunteer network; and
- Personal networks.

The Senior Employment Network

The senior employment network includes state, county, and local agencies, including the area agencies managing private employment services and federal government em-

ployment programs. These agencies may provide some or all of the following services to employers:

- A central job clearinghouse;
- Help in locating and communicating with the target group;
- Prescreening job applicants;
- Assistance in analyzing and restructuring jobs, benefits, and the work environment;
- Information on the experiences of other employers in recruiting and employing older workers;
- Assistance in developing appropriate training programs, or referrals to appropriate education and training facilities; and
- Help in understanding and overcoming barriers to the employment of older workers.

The Senior Community Service Employment Program (SCSEP) is funded under Title V of the Older Americans Act. SCSEP is a work-training program designed to help economically disadvantaged persons age 55 and older find jobs. SCSEP assesses the skills and interests of participants in order to help local employers locate suitable, qualified workers.

SCSEP programs vary by location and sponsoring organization. They may be able to provide local demographic and labor market information and to refer qualified older job applicants who are ineligible for their program.

To locate a local SCSEP program, look in your telephone directory or check with your state office on aging.

The *Job Training Partnerships Act* (JTPA) programs provide job training and employment referrals to economically disadvantaged persons. The program's goals is job placement with private businesses. At least 3 percent of the funds allocated to each state for JTPA programs are reserved for training disadvantaged persons age 55 and older.

JTPA programs also may serve displaced workers, regardless of age, and others who face employment barriers, such as age discrimination, even if they do not meet JTPA income requirements.

Besides providing screened and trained job applicants, local JTPA programs may provide demographic and labor market information assistance in evaluating and modifying jobs, benefits, and training programs for older workers.

For a free copy of the JTPA Service Delivery Area Directory, write: the National Association of Counties, 440 First Street, N.W., Washington, DC 20001.

Forty Plus and similar employment support groups help unemployed professional, supervisory, and management personnel age 40 and over find jobs. Check your telephone directory to see if there's a local affiliate of Forty Plus or other specialized employment service, such as Operation ABLE or Over 40 Counseling and Employment.

The *National Clearinghouse on State and Local Older Worker Programs* provides consultation and training to business on recruiting, hiring, training, and retaining

older workers. The clearinghouse, which is operated by the National Association of State Units on Aging, also provides information to business on how to link with state and local older worker programs.

For more information on the services and publications of the clearinghouse, contact: Director, National Clearinghouse on State and Local Older Worker Programs, NASUA, 2033 K Street, N.W., Suite 304, Washington, DC 20006, or call (202) 785-0707.

Private employment agencies specializing in recruiting and placing older workers may be of help, too. Check the telephone directory under "Employment."

Other employers in your area who may be laying off workers or who may have many retirees may help you promote your jobs by providing mailing lists, allowing you to advertise in their company publications, or arranging for you to make presentations at their retirement planning programs.

The Social Service Network

Identify community agencies and local affiliates of national organizations that provide services to older persons. These include:

- The National Caucus and Center for Black Aged;
- The National Association of Spanish-Speaking Elderly;
- The Older Women's League;
- Senior centers;
- Senior nutrition sites;
- Local AARP chapters; and
- Agencies that provide various social services to older persons, such as health care, housing assistance, transportation, and legal aid.

Check your telephone directory and newspapers for listings of various social service agencies.

The Special Populations Networks

Identify agencies and organizations that serve minority and ethnic groups and women regardless of age. For example:

- Local affiliates of the National Urban League offer services to minority job seekers of all ages;
- Local displaced homemakers programs and women's centers may provide training and employment services to women of any age.

Check your telephone directory.

Two national organizations serving women that may be able to provide local employers with assistance in reaching out to older women are *Women Work! The National Network for Women's Employment*, 1625 K Street, N.W., Washington, DC 20006, (202) 467-6346, and *Catalyst*, a national research and advisory organization that helps corporations foster leadership development for women, 250 Park Avenue South, New York, NY 10003, (212) 777-8900.

Fraternal, Civic, Social, and Religious Organizations

Look for fraternal, civic, and social organizations whose membership includes large numbers of the older persons you have

targeted for recruitment. Recruit workers through ads in bulletins and newsletters and through presentations at club meetings. Consider contacting:

- The Kiwanis Club;
- Rotary Club;
- Lions Club; and
- Religious organizations in areas with large numbers of targeted older workers.

The Education and Training Network

Community colleges, universities, vocational education and rehabilitation programs, adult education centers, and technical training centers are key links in the local education and training network.

Promote jobs for older workers by advertising in college catalogs and on college bulletin boards, through job search courses, through financial planning and retirement planning courses, and through courses on subjects directly related to the job you are recruiting for.

The Volunteer Network

Look for qualified older workers among volunteer services in the community, especially those that develop and use the skills and experience desired on the job. Be sure your company considers volunteer experience to be equivalent to comparable work experience.

Many older persons, particularly women, have developed important transferable work skills and valuable experience through volunteer work. Volunteers are typically highly dedicated, reliable, active people who make good employees.

Personal Networks

Recruit older workers where they do business — banks, dry cleaners, grocery stores, drug stores, hair dressers, movie theaters, and the like. Ask your own older workers to spread the word about job opportunities among family, friends, and acquaintances.

Using the Media

A good way to get your message across to a large audience is to use your local media — the newspapers, TV, and radio stations.

Radio and TV

Contact your local television and radio stations for information on the demographics of their program audiences and the cost of advertising.

Make a list of your local talk shows. Call the producers if you think you have a story to tell of interest to their show's audience. Personalize your story by highlighting the positive experience of an older person who is working for you now.

Local Newspapers

Make a list of all of your local newspapers, including daily, weekly, ethnic, and neighborhood papers.

If you decide to run ads in the local papers, check their advertising costs. Older persons are not likely to look in the classified section for jobs, so place your ads in the sections they read:

- Entertainment;
- Food;

- Sports; and
- Lifestyle.

If possible, include a coupon or a brief application form for them to fill out and send to you.

Contact reporters who write feature stories and see if they are interested in interviewing you about how your company hires older workers.

Provide background information, success stories, and names of people the writer can contact for interviews. Ask that your name and telephone number be included at the end of the story so people can contact you for more information about jobs.

Ideas for More-Targeted Marketing

Promote your jobs where the largest numbers of your target population live, relax, and do business. Go to them. It's quicker, cheaper, and more effective than a mass marketing approach. Recruiting them on their own turf will give you more credibility and will make your recruiting easier.

Target particular neighborhoods, trailer parks, retirement buildings, and communities.

Place posters and distribute pamphlets in public buildings and businesses in the targeted area.

Ask neighborhood associations to help you identify potential older workers. Place ads in community newsletters.

Develop and advertise your job hotline. Record brief descriptions of available jobs with information on what to do if someone is interested.

Participate in neighborhood events, such as block parties and street fairs.

Have your articulate older spokespersons address clubs, open houses, employment workshops, local AARP chapters, senior centers, and the like. Develop an audiovisual component to add interest. Think of creative ways to demonstrate your jobs to the audience.

In developing ads, posters, pamphlets, radio and television ads, use the people with whom your target group identifies by age, gender, and ethnic and racial mix.

Convey positive images of older workers on the job and with other workers, clients, or customers.

Direct mail is an effective way to target your marketing.

Identify zip codes where older persons live. Send letters in care of "resident" to all households in that area.

If possible, get mailing lists from organizations that serve large numbers of your target groups and piggyback your mailing with one of theirs.

Hold a special promotion geared to getting members of the target group to your place of business. Prepare your staff for handling inquiries.

Rent space on an electronic message board in downtown or suburban shopping areas.

Send a "jobmobile" around to targeted neighborhoods and shopping and recreation centers with an articulate older spokesperson. Provide pamphlets, application forms, and conduct preliminary interviews.

Participate in local job fairs.

The Power of Positive Job Interviews

Once an older person is interested, your recruiters need to be sensitive to their concerns. With encouragement from a skillful and sensitive interviewer, older persons can develop a positive attitude about their ability to succeed.

Recruiters should expect some hesitation from older workers, displaced workers, and homemakers. They need to help these applicants shift from past negative experiences to a positive one with you.

Highlight the *transferability* of their skills and their life experiences.

Explain any specialized training you offer, including what they will learn, how long it will take, and how their performance will be evaluated.

Discuss candidly the nature and severity of any of their physical limitations and how the job could be adapted to accommodate them.

Help the person make a realistic assessment of his or her ability to do the job.

If relevant, during the interview, explain the ramifications of Social Security, pension, and union regulations on the hours and conditions of employment.

Provide detailed information about the skills required, job duties, performance expectations, wages, benefits, advancement opportunities, work schedule, hours, and the like.

Many employers have found that older workers are a valuable resource. These employers have learned that it is ability, not age, that counts on the job. They are successfully using the experience of a lifetime.

Discussion Questions on Recruiting Older Workers

1. Why is it impossible to lump "older workers" together?

2. What are older persons looking for in a job?

3. Why do older workers want to work?

4. What different recruitment techniques do you need to use to recruit older workers? Why?

Age Equity in Employment

Many employers are interested in learning how they can make their jobs more attractive to good workers, including older workers. They want to know what they can do to improve their recruiting efforts, management style, and training policies to attract and keep valuable employees. The Age Equity in Employment checklist, developed by AARP, can help employers assess their company's practices and policies. Not every employer would be able to implement every suggestion; however, many of the suggestions can help employers build a quality work force that includes the experience of mature persons.

Age Equity in Employment: A Checklist for Employers

Policy Development

Do you...

1. use focus groups of retirees and persons age 40–49, 50–64, and 65–plus to determine:
   - ___ older persons' perceptions of your organization?
   - ___ what they want in a job?
   - ___ how to market jobs to them?
2. ___ include older employees on advisory committees and other policy–making committees?
3. ___ use an advisory committee including older managers and workers, retirees, and members of the local senior employment network to help you assess their perceptions of your employment package and recruitment strategies?
4. ___ regularly examine your organization's policies and practices in recruitment, hiring, evaluation, training, promotion, and termination to check for age discrimination or negative stereotyping?
5. ___ know what the attitudes of your supervisors and other workers are toward older workers?
6. ___ equate volunteer work experience when considering a candidate for a job or job promotion?
7. ___ periodically conduct age audits to examine your company's age profile and to pinpoint possible barriers to employing mature workers?
8. ___ have an *effective*, age-neutral performance appraisal system?
9. ___ offer a flexible benefits program that appeals equally to employees and job candidates of all ages?

Training

Do you...

1. ___ have an age–neutral tuition assistance program for employees?
2. ___ evaluate the effectiveness of training programs for older workers, and, if necessary, modify programs to meet their skill needs and incorporate their past experience?
3. ___ encourage *all* employees to participate in informal training and development including job rotation, internship programs, and on–the–job coaching?
4. ___ sensitize managers and all workers to age stereotyping and show them how stereotyping can lead to unfair treatment of older workers?

5. ___ set goals with managers that include equitable training and development, and full utilization of older employees? Reward managers for meeting those goals?
6. ___ educate managers about age discrimination laws?
7. ___ relate new techniques and practices to the older trainees' past experiences and encourage them to use past experience in new situations?

Recruiting

Do you...

1. ___ periodically review your recruiting process to be sure that it is positive and does not intimidate or frustrate job candidates?
2. ___ state in job advertisements that your organization seeks employees with maturity, good judgment, and experience, even for entry-level jobs?
3. ___ try to meet the special needs of older candidates, such as providing training that takes their experience into account?
4. ___ sensitize all managers to the value of hiring and promoting mature workers?
5. ___ offer a benefits package for part-time workers that is fair and equitable so that benefits become an important selling point to job candidates?
6. ___ offer information to older candidates on the effect their employment will have on their Social Security and pension benefits?
7. ___ rehire your own retirees or those of your competitors for part-time and full-time jobs?
8. ___ maintain a job bank including retirees and other qualified workers to fill temporary positions?
9. ___ tap agencies and networks that involve the older population you want to recruit? These include:
   - ___ volunteer groups;
   - ___ social service and employment agencies for special populations regardless of age;
   - ___ service, civic, and religious organizations;
   - ___ education and training centers.
10. ___ use posters, flyers, and the media to target older workers?
11. ___ identify ZIP codes where older persons live and use direct mail to tell them about employment opportunities?
12. ___ hold special events to get potential older employees to your place of business?
13. ___ send a "jobmobile" to targeted neighborhoods and shopping and recreation centers with an articulate older spokesperson from your business to talk about job openings?
14. ___ participate in local job fairs?

15. ___ train your interviewers to be sensitive to the concerns of older applicants?

16. ___ train your interviewers to understand the importance of transferring older persons' skills and paid or unpaid experience?

17. ___ have interviewers explain any specialized training you offer including what trainees will learn, how long the training will last, and how trainees will be evaluated?

Job Redesign

Do you...

1. ___ identify jobs that can be done by workers with physical limitations and make adjustments in certain jobs to accommodate those limitations?

2. ___ ask senior employment groups or organizations that serve disabled persons to help you assess and redesign jobs for workers with physical limitations?

3. ___ redesign jobs to provide alternatives to traditional full-time work such as:
   ___ part-time work,
   ___ temporary work,
   ___ consulting,
   ___ job sharing,
   ___ flex-time programs,
   ___ flex-place programs, or
   ___ phased retirement?

4. ___ aggressively seek to retain older workers through such means as mentoring programs and paid sabbaticals?

About AARP

AARP is the nation's leading organization for people age 50 and over. It serves their needs and interests through legislative advocacy, research, informative programs, and community services provided by a network of local chapters and experienced volunteers throughout the country. The organization also offers members a wide range of special membership benefits, including *Modern Maturity* magazine and the monthly *Bulletin*.

About the Work Force Programs Department

AARP educates employers, employees, and the general public about retirement and employment issues affecting older workers through the Association's Work Force Programs Department. The Department assists midlife and older workers to make informed decisions about employment and retirement; encourages employers to hire and retain midlife and older workers and develop personnel policies that are age-neutral; seeks to eliminate age discrimination in employment through educational, legislative, and judicial efforts; and informs older persons of their rights under federal and state age discrimination and pension laws.

AARP's Work Force Programs Department has several publications that may be of interest to managers and human resource personnel. To order single copies of these publications, send a postcard with your name and address to:

AARP Fulfillment
601 E Street, N.W.
Washington, DC 20049

Be sure to include the title and stock number of each publication you order. Allow 6–8 weeks for delivery.

D13828 • *When Experience Counts*
D12445 • *Worker Equity Resources*
D12633 • *America's Changing Work Force: Statistics in Brief*
D13353 • *Using the Experience of a Lifetime*
D13827 • *Business and Older Workers: Current Perceptions and New Directions for the 1990s*
D13279 • *How to Recruit Older Workers*
D13287 • *How to Train Older Workers*
D13288 • *How to Manage Older Workers*

For more information about the materials in this book or about other AARP programs for employers and older workers, contact:

AARP Work Force Programs Department
Business Partnerships
601 E Street, N.W.
Washington, DC 20049

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